Annex 1. Project Logical Framework and Theory of Change

* 1. Project Logical Framework

| **OUTCOME** | **EXPECTED OUTPUTS AND INDICATORS** | **MAIN ACTIVITIES** | PRODUCTS/RESULTS OF ACTIVITIES |
| --- | --- | --- | --- |
| **OUTCOME 1**  **Public and private sector partners prepared for implementation of the SDGs in Bosnia and Herzegovina**  *Indicator:* Framework for the implementation of the SDGs developed and aligned with EU accession requirements  *Baseline*: No (2017)  *Target:*Yes (2019)    *Indicator:* Established functional SDG advisory body, where private sector is an active member  *Baseline*: No (2017)  *Target:*Yes (2021) | **Output 1.1:**  **SDG Roadmap for Bosnia and Herzegovina developed, and implementation started**  *Indicator:* Functional organisational mechanism (technical, advisory, political) in place  *Baseline*: No (2017)  *Target*: Yes (2021)    *Indicator:* SDG Roadmap defined and agreed  *Baseline*: No (2017)  *Target*: Yes (2018)    *Indicator:* Bosnia and Herzegovina presents its SDG rollout experience to the High Level Political Forum (HLPF)  *Baseline*: No (2017)  *Target*: Yes (2019)    *Indicator:* Key institutions and organisations, including youth, comprehensively capacitated for SDG rollout  *Baseline:* No (2017)  *Target:* Yes (2019)  Indicator:  Training programme for civil servants in planning institutions, sectoral ministries/departments and practitioners addressing mainstreaming of SDGs into strategic documents designed and delivered,  *Baseline:* None (2019)  *Target:* At least 300 civil servants (2021)  Indicator: Number of development strategies reflecting the sustainable development priorities defined in the SDGs Framework in BIH.  *Baseline:* None (2019)  *Target:* At least 10 strategies (2021) | **Activity 1.1.1: Provide capacity support to key stakeholders**  Strengthening human capacities in key partner institutions  Analytical research aimed at advancing particular dimensions of the identified SDG priorities for institutional partners with adequate information for SDG acceleration and implementation. | 3 National UNVs with institutions (BiH DEP, RS Ministry for European Integration and International Cooperation, FBiH Institute for Development Programming), in 2 cycles.  SDG Roadmap designed and adopted by the BiH Council of Ministers.  RIA on alignment of existing strategic documents with SDGs prepared.  SDG Dashboard for BiH offering data gaps for key administrative levels as well as analysis to which extent the country is on track with identifying indicators. Designed and populated with data. However, given the lack of baseline values from formal sources, the BIH Agency for Statistics opted for a simpler version supported by the UNECE.  First BiH VNR prepared and presented at the High-Level Political Forum in New York in July 2019. |
| **Activity 1.1.2: Provide technical and organisational support to the SDG rollout process and SDG framework development**  **Activity 1.1.2.1.: SDG Framework localization**  Design and delivery of tailored training programme on SDGs localization  Delivery of limited technical assistance on SDGs localization  Provide limited technical assistance to governments at BiH, entity, BD BiH and cantonal and local level in in the process of mainstreaming SDGs into their development strategies. | Technical support continuously provided to the working groups on data/statistics and design of the SDG Framework.  Imagine2030 workshops held with 150 stakeholders, including approx. 100 children and youth (age 8 – 16).  SDG Framework for BiH aligned with the EU accession process, designed and adopted by the governments of Brcko District, entities, and BiH Council of Ministers.  SDG Council adopted as a body responsible for the overall coordination, monitoring, and reporting on SDGs. The Council will also be responsible for the systemic engagement of stakeholders, incl. private sector, academia, youth, etc.  Training programme on operationalisation of SDG Framework through strategic planning provided to 532 civil servants at entity, cantonal and local level at FBiH and Brcko District.  Training for the civil servants in the RS civil servant institutions (entity and local level) will be held in 2021, following adoption of new legislation on strategic planning. Training programme is accompanied by a manual for planners addressing mainstreaming of SDGs into planning processes. |
| **Activity 1.1.3: Conduct research and analysis to support SDGs framework design** | Comprehensive situation analysis for BiH prepared as a baseline for designing the SDG Framework. |
|  | **Activity 1.1.4: Align the SDG framework with the EU accession requirements**  Rapid Integrated Assessment against Economic Reform Programme, other key strategic documents and  EU Acquis Chapters and SDG linking exercises | RIA not conducted due to the decision of the stakeholders to address the aspect within the SDG Framework. |
| **Output 1.2:**  **Private sector actors sensitized and engaged in SDGs prioritisation, planning and implementation**  *Indicator:*Number of businesses engaged in consultations on the SDGs, including the conference  *Baseline:*0 (2017)  *Target:*500 (2019)    *Indicator:* Number of business cooperation opportunities identified through B2B among companies from Sweden and Bosnia and Herzegovina  *Baseline*: 0 (2017)  *Target*: 10 (2018)    *Indicator:* Number of SDGs business pioneers promoted  *Baseline*: 0 (2017)  *Target*: 50 (2021) | **Activity 1.2.1: Mobilise interest among private sector actors to engage in the SDG implementation**  **Activity 1.2.1.1.: SDG focused Capacity building for 100 SMEs**  **Activity 1.2.1.2.: SDG Innovation Fund and SDG Accelerator** | SDG private sector working group and advisory council consisting of 40+ prominent private sector companies.  SDG Business Pioneers Award held as an annual activity from 2019 to 2021 (Foreign Trade Chamber of BiH as partner in organization for 2021 as a way to “localise” the award.  SDG Pioneer Award for Local Governments designed and will be piloted in 2021, addressing local governments’ response to economic recovery from COVID-19 pandemic.  103 SMEs trained to adapt their business models.  5 SMEs went through SDG Accelerator programme.  5 SMEs part of Decarbonisation challenge. |
| **Activity 1.2.2: Organise a conference to raise awareness, promote good practices and private sector role in the SDGs** | SDG Business week organised as an annual activity from 2019 to 2021.  SDG Business Week 2019 - 300+ participants  SDG Business Week 2020 - 70+ business leaders promoted and due to its digital nature gathered a large audience (3700+ people participated in the events). |
| **Activity 1.2.3: Support B2B networking and partnering for companies from Bosnia and Herzegovina and Sweden** | 63 companies from 5 countries (Croatia, BiH, Serbia, Montenegro, North Macedonia) engaged in 103 meetings during the 2nd B2B meetings of female entrepreneurs of BIH and the region.  120+ companies listed in a custom data base and prepared for B2B (data used for the Economic Pulse analysis and shared with key agencies and stakeholders for purpose of the pandemic response). |
| **Activity 1.2.4: Promote SDG business pioneers in Bosnia and Herzegovina** | 90+ private sector companies promoted as SDG Business Pioneers. |

* 1. Theory of Change

The Project will help Bosnia and Herzegovina translate the ambitious 2030 Agenda into action, by bringing the relevant stakeholders together around the SDG Roadmap. This will entail an SDG aligning exercise, SDG planning, partnership building and introduction of adequate institutional arrangements, monitoring and reporting, as well as defining of a financing model. The SDG Roadmap will be a forward-looking agenda with a clear vision for the country to address the identified trends.

To contextualise the 2030 agenda to Bosnia and Herzegovina, stakeholders will take stock of where the country stands with regards to achieving all seventeen goals. Such initial rapid review of the key dimensions of sustainable development, including economic development, social inclusion, and sustainable environmental management will help develop a shared understanding of priorities for implementation. Data will be taken from existing official statistics, including surveys, census, administrative records, geospatial imagery, or other forms of open data. The latest available data will be used and disaggregated to the greatest extent possible, to see how different socio-economic groups are fairing in as close to real-time as possible and identify which groups are being left behind so that dedicated actions specifically address them. In many cases there will be data gaps, but these are instructive in and of themselves, because they demonstrate which areas do not receive sufficient attention, where institutional capacity may be insufficient, or where deeper analyses are required to understand what needs to be measured and how. In this context, due consideration will be given to the existing strategies/polices and reform processes, including the Reform Agenda / Economic Reform Programmes, as well as EU accession agenda.

This information will help to discern where Bosnia and Herzegovina is lagging far behind the SDG targets and to articulate priority goals. Identifying priorities does not mean choosing one goal at the expense of another; the SDGs were crafted as an integrated set, which are interdependent and complementary. Instead, prioritization means identifying those areas lagging furthest behind and catalysing resources, awareness, and policy actions in those areas to spur rapid progress. Prioritization can also mean identifying specific areas to pursue in the short or medium term as an entry point to the broader transformation towards sustainable development. This process will provide opportunity to mainstream the SDG targets and indicators in line with EU accession requirements and national policy perspectives, as well as to discuss common objectives of using the EU accession chapters as “acceleration” opportunities to progress on sustainable development.

A stocktaking and prioritization exercise will not only be relevant for national and sub-national governments. The SDGs are universal goals that apply to all key stakeholders and should serve as a lens for critical internal reflection. For example, companies should see the SDGs as an opportunity to take stock of their business practices in their interactions with customers, suppliers, and the natural environment; civil society should use them as an opportunity to think through more holistic, cross-sectoral approaches to poverty alleviation and environmental management; and universities and knowledge institutions should consider whether the evidence and knowledge they are generating contribute to the pursuit of a more sustainable world for people and planet. For this reason, stakeholders will also be encouraged to establish a set of measures against which to take stock of their performance on the SDGs.

To achieve goals as complex as the SDGs, Bosnia and Herzegovina will develop a plan formalised in a document (SDG Framework in BIH), with government taking the lead supported by the active engagement of business, academia, and civil society. This will help governments and other stakeholders to think over a 15-year time horizon and answer the question how Bosnia and Herzegovina can achieve the SDGs and/or what my company, organization or institution can contribute. SDG targets are intended to help guide implementation, however, the long list of 169 targets is only indicative and Bosnia and Herzegovina will tailor them to its own circumstances and national priorities. Thus, the SDG planning process will help governments in the country to rationalize the targets and identify the ones that are most relevant to Bosnia and Herzegovina’s specific challenges, also in view of the EU accession aspirations.

Having in mind the integrated nature of the SDGs, adequate institutional arrangements will be put in place, involving governments at different levels. Cross-sectoral cooperation will be ensured, with innovative planning instruments that use frameworks and incentives to coordinate cross-ministerial and cross-governmental activities. Institutional arrangement as well as broader coordination on the SDG planning will be agreed with the stakeholders, taking into account the context and governance structures of Bosnia and Herzegovina. Planning will entail multi-stakeholder process and partnering (possible SDG Council), engaging, besides national and sub-national governments, representatives of businesses, civil society, academia and science. Different actors will have clearly defined roles and responsibilities to make the process work.

Importantly, efforts will be made to ensure strong business representation in the SDG planning process. Through structured consultations, private sector actors in Bosnia and Herzegovina will be sensitized and brought together around the sustainable development agenda. The focus will be on the important private sector role in this context, including in terms of their social responsibility, green businesses and greening businesses, as well as digitalisation and innovation of business models, new business opportunities and markets. Profit-driven nature of companies will be kept in mind, figuring out ways to present SDG principles and values as future business opportunities that will enable companies to grow and contribute to development priorities. In this context, values and principles of the UN Global Compact will be built upon. Series of annual events under the title “SDG Business Week” followed by a number of focused events (including SME capacity building and an SDG Accelerator for SMEs) will be organised in partnership with businesses from Bosnia and Herzegovina and Sweden, to raise awareness, promote good practices and private sector role in Agenda 2030. Additionally, business leaders who are doing an exceptional job of taking action to advance the SDGs will be promoted as the SDG Business Pioneers.

In addition to the 2030 vision, targets, milestones, and steps that need to be taken to achieve the desired endpoint by the desired date, the SDG Framework ill also include financing needs. SDGs implementation will require mobilizing of adequate public and private resources. Thus, needs assessments will carried out to determine the volume of public and private investment required, also considering that in some cases, regulations, taxes or subsidies can help redirect private investments towards supporting SDG outcomes. This will allow for the milestones to be translated into a quantified strategy – typically including an investment plan and financing strategy – that can be used within ministries and released to the public for broader consultation.

A set of national indicators will be developed in line with context-specific priorities and concerns, to help track progress on the SDG agenda. These indicators will build upon existing monitoring methods used by the statistical office, while also aiming to be aligned with the set of global monitoring indicators devised by the Inter-Agency and Expert Group on SDG Indicators under the auspices of the UN Statistical Commission. Collecting a broad range of indicators on sustainable development, at higher frequency and with more attention to disaggregation and quality, requires modernised statistical systems. Thus, efforts will be made to improving the quality of government-led statistical systems, based on the needs assessment that will be combined with the baseline and benchmarking process. For example, activity to be supported in this respect is the 6th round of the Multiple Indicator Cluster Survey (MICS), which is a household survey programme developed by UNICEF to assist countries in supplementing data gaps for monitoring the situation of children and women. MICS6 will provide up-to-date information in Bosnia and Herzegovina for assessing the situation of children and women and provide data required for monitoring progress toward the SDGs, and other international commitments such as those related to the EU accession. The scope of MICS6, particularly in its ability to estimate progress towards reaching SDGs targets, will contribute to meeting the data needs of Bosnia and Herzegovina institutions and a wider circle of international organisations and facilitate collaboration in relation to joint monitoring activities. Out of 230 SDG indicators, 32 can be generated through MICS (13.9%). The data from the MICS will also help to ensure the availability of data to establish a baseline for monitoring state and entity development strategies; and to contribute to the improvement of data collection and monitoring systems in Bosnia and Herzegovina and to strengthen technical expertise in the design, implementation, and analysis of these systems.

The **Overall Goal** of the intervention is that Bosnia and Herzegovina translate Agenda 2030 into action for the benefit of all its citizens. The **Project Outcome** is as follows: Public and private sector partners prepared for implementation of the SDGs in Bosnia and Herzegovina.

This Outcome will be achieved through two Outputs that are complimentary but distinct in terms of the stakeholder focus. While Output 1.1. is primarily focused on preparing institutions and key stakeholders for the SDG rollout, Output 1.2. is focused on the sensitisation and engagement of the private sector on theSDGs, recognising the catalytic and transformational role private sector as a key stakeholder has in the achievement of the SDGs. The visual of the project’s theory of change below indicates a broader support to Bosnia and Herzegovina with the SDG rollout through Output 1.1., as well as the inputs and interconnections of the Output 1.2. in this broader support picture.

Diagram

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